

**House Study Bill 610 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON EDUCATION BILL BY  
CHAIRPERSON JORGENSEN)

**A BILL FOR**

1 An Act relating to the open enrollment of students for purposes  
2 of receiving educational instruction and course content  
3 delivered primarily over the internet and providing for  
4 an online learning program to be created as a new school  
5 within an existing public school, within a charter school  
6 or innovation zone school, or as an independently operating  
7 charter school.  
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 256.7, subsection 32, paragraph b, Code  
2 2014, is amended to read as follows:

3 ~~b. Except as provided in paragraph "c"~~ Upon approving  
4 an application for an online learning program in accordance  
5 with chapter 256F.3, adopt rules prohibiting authorizing the  
6 open enrollment of students whose for purposes of receiving  
7 educational instruction and course content are delivered  
8 primarily over the internet.

9 Sec. 2. Section 256.7, subsection 32, paragraph c,  
10 unnumbered paragraph 1, Code 2014, is amended to read as  
11 follows:

12 Adopt rules, notwithstanding paragraph "b", that limit the  
13 statewide enrollment of pupils in educational instruction and  
14 course content that are delivered primarily over the internet  
15 to not more than eighteen one-hundredths of one percent of  
16 the statewide enrollment of all pupils, and that limit the  
17 number of pupils participating in open enrollment for purposes  
18 of receiving educational instruction and course content that  
19 are delivered primarily over the internet to no more than one  
20 percent of a sending district's enrollment. Until June 30,  
21 2015, students who meet the requirements of section 282.18 may  
22 participate in open enrollment under this paragraph "c" for  
23 purposes of enrolling only in the CAM community school district  
24 or the Clayton Ridge community school district.

25 Sec. 3. Section 256F.1, subsection 1, Code 2014, is amended  
26 to read as follows:

27 1. Charter schools, online learning programs, and  
28 innovation zone schools shall be part of the state's program of  
29 public education.

30 Sec. 4. Section 256F.1, subsection 3, unnumbered paragraph  
31 1, Code 2014, is amended to read as follows:

32 The purpose of a charter school, an online learning program,  
33 or an innovation zone school established pursuant to this  
34 chapter shall be to accomplish the following:

35 Sec. 5. Section 256F.1, Code 2014, is amended by adding the

1 following new subsection:

2 NEW SUBSECTION. 5. An online learning program may be  
3 created as a new school within an existing public school,  
4 within a charter school or an innovation zone school, or  
5 as an independently operating charter school. However,  
6 notwithstanding section 256F.2, subsection 7A, an online  
7 program created as a new school within an existing public  
8 school, within a charter school, or within an innovation zone  
9 school shall be considered a charter school or an innovation  
10 zone school for purposes of this chapter.

11 Sec. 6. Section 256F.2, subsection 1, Code 2014, is amended  
12 to read as follows:

13 1. "*Advisory council*" means a council appointed by the  
14 school board of directors of a charter school, an online  
15 learning program, or an innovation zone consortium pursuant to  
16 section 256F.5, subsection 4.

17 Sec. 7. Section 256F.2, Code 2014, is amended by adding the  
18 following new subsection:

19 NEW SUBSECTION. 7A. "*Online learning program*" means an  
20 independently operating program providing online instruction in  
21 accordance with the online learning program model established  
22 pursuant to section 256.43, and that receives approval from the  
23 state board to provide full-time online instruction pursuant to  
24 this chapter.

25 Sec. 8. Section 256F.3, subsection 1, Code 2014, is amended  
26 to read as follows:

27 1. The state board of education shall apply for a federal  
28 grant under Pub. L. No. 107-110, cited as the federal No Child  
29 Left Behind Act of 2001, Tit. V, pt. B, subpt. 1, for purposes  
30 of providing financial assistance for the planning, program  
31 design, and initial implementation of public charter schools.  
32 The department shall monitor the effectiveness of charter  
33 schools, online learning programs, and innovation zone schools  
34 and shall implement the applicable provisions of this chapter.

35 Sec. 9. Section 256F.3, subsection 2, Code 2014, is amended

1 by adding the following new paragraph:

2 NEW PARAGRAPH. *d.* To receive approval to establish an  
3 online learning program, the proposed operator of the online  
4 learning program shall submit an application to the state  
5 board. However, notwithstanding section 256F.2, subsection 7A,  
6 if the online learning program is proposed to be created as a  
7 new school within an existing public school, within a charter  
8 school, or within an innovation zone school, the approval  
9 procedure and application process shall be as provided in  
10 paragraph "a" or "b", as appropriate, and subsections 3, 4, 5,  
11 6, and 7.

12 Sec. 10. Section 256F.3, subsection 7, Code 2014, is amended  
13 to read as follows:

14 7. An application submitted to the state board pursuant to  
15 subsection 2, paragraph "b" or "d", or subsection 6 shall set  
16 forth the manner in which the charter school, online learning  
17 program, or innovation zone school will provide special  
18 instruction, in accordance with section 280.4, to students who  
19 are limited English proficient. The application shall set  
20 forth the manner in which the charter school, online learning  
21 program, or innovation zone school will comply with federal and  
22 state laws and regulations relating to the federal National  
23 School Lunch Act and the federal Child Nutrition Act of 1966,  
24 42 U.S.C. § 1751-1785, and chapter 283A. The state board shall  
25 approve only those applications that meet the requirements  
26 specified in section 256F.1, subsection 3, and sections 256F.4  
27 and 256F.5. The state board may deny an application if the  
28 state board deems that approval of the application is not in  
29 the best interest of the affected students.

30 Sec. 11. Section 256F.4, subsections 1, 3, 4, 5, 6, and 8,  
31 Code 2014, are amended to read as follows:

32 1. Within fifteen days after approval of a charter school,  
33 online learning program, or innovation zone school application  
34 submitted in accordance with section 256F.3, subsection 2,  
35 a school board, online learning program, or innovation zone

1 consortium shall report to the department the name of the  
2 charter school applicant if applicable, the proposed charter  
3 school, online learning program, or innovation zone school  
4 location, and the charter school or innovation zone school's  
5 projected enrollment.

6 3. A charter school, online learning program, or innovation  
7 zone school shall not discriminate in its student admissions  
8 policies or practices on the basis of intellectual or athletic  
9 ability, measures of achievement or aptitude, or status as a  
10 person with a disability. However, a charter school, online  
11 learning program, or innovation zone school may limit admission  
12 to students who are within a particular range of ages or grade  
13 levels or on any other basis that would be legal if initiated  
14 by a school district. Enrollment priority shall be given to  
15 the siblings of students enrolled in a charter school, online  
16 learning program, or innovation zone school.

17 4. a. A charter school or innovation zone school shall  
18 enroll an eligible resident student who submits a timely  
19 application unless the number of applications exceeds the  
20 capacity of a program, class, grade level, or building. In  
21 this case, students must be accepted by lot.

22 b. A charter school or innovation zone school may  
23 enroll an eligible nonresident student who submits a timely  
24 application in accordance with the student admission policy  
25 established pursuant to section 256F.5, subsection 1. If the  
26 charter school or innovation zone school enrolls an eligible  
27 nonresident student, the charter school or innovation zone  
28 school shall notify the school district of residence and the  
29 sending district not later than March 1 of the preceding school  
30 year.

31 c. For purposes of this section, all students who register  
32 in an online learning program shall be considered nonresident  
33 students and a student's school district of residence shall be  
34 considered a sending school district.

35 d. Transportation for ~~the~~ an enrolled student shall be

1 in accordance with section 282.18, subsection 10. An online  
2 learning program is exempt from this paragraph.

3 e. The sending district shall make payments to the charter  
4 school, online learning program, or innovation zone consortium  
5 in the manner required under section 282.18, subsection 7.  
6 ~~If the nonresident~~ a pupil enrolled in a charter school or  
7 innovation zone school is also an eligible pupil under section  
8 261E.6, the charter school, online learning program, or  
9 innovation zone consortium shall pay the tuition reimbursement  
10 amount to an eligible postsecondary institution as provided in  
11 section 261E.7.

12 5. A charter school, online learning program, or innovation  
13 zone school shall provide instruction for at least the number  
14 of days or hours required by section 279.10, subsection 1, ~~or~~  
15 ~~shall provide at least the equivalent number of total hours.~~

16 6. Notwithstanding subsection 2, a charter school, online  
17 learning program, or innovation zone school shall meet the  
18 requirements of section 256.7, subsection 21.

19 8. A charter school, online learning program, or innovation  
20 zone consortium may enter into contracts in accordance with  
21 chapter 26.

22 Sec. 12. Section 256F.4, subsection 2, unnumbered paragraph  
23 1, Code 2014, is amended to read as follows:

24 Although a charter school, online learning program, or  
25 innovation zone school may elect to comply with one or more  
26 provisions of statute or administrative rule, a charter school,  
27 online learning program, or innovation zone school is exempt  
28 from all statutes and rules applicable to a school, a school  
29 board, or a school district, except that the charter school,  
30 online learning program, or innovation zone school shall do all  
31 of the following:

32 Sec. 13. Section 256F.4, subsection 2, paragraphs g and i,  
33 Code 2014, are amended to read as follows:

34 g. Be subject to and comply with chapter 284 relating to  
35 the student achievement and teacher quality program. A charter

1 school, online learning program, or innovation zone school  
2 that complies with chapter 284 shall receive state moneys or  
3 be eligible to receive state moneys calculated as provided in  
4 section 257.10, subsections 9 and 10, and section 257.37A as  
5 if it did not operate under a charter school, online learning  
6 program, or innovation zone school contract.

7 *i.* Be subject to and comply with the provisions of chapter  
8 285 relating to the transportation of students. An online  
9 learning program is exempt from this paragraph.

10 Sec. 14. Section 256F.4, subsection 7, paragraph b, Code  
11 2014, is amended to read as follows:

12 *b.* Students enrolled in an innovation zone school or online  
13 learning program shall be counted, for state school foundation  
14 aid purposes, in the student's district of residence.

15 Sec. 15. Section 256F.5, unnumbered paragraph 1, Code 2014,  
16 is amended to read as follows:

17 An application to the state board for the approval of a  
18 charter school, online learning program, or innovation zone  
19 school shall include but shall not be limited to a description  
20 of the following:

21 Sec. 16. Section 256F.5, subsections 1, 2, 4, 6, 7, 10,  
22 12, 13, 14, 15, 16, and 17, Code 2014, are amended to read as  
23 follows:

24 1. The method for admission to the charter school, online  
25 learning program, or innovation zone school.

26 2. The mission, purpose, innovation, and specialized focus  
27 of the charter school, online learning program, or innovation  
28 zone school.

29 4. The method for appointing or forming an advisory council  
30 for the charter school, online learning program, or innovation  
31 zone school. The membership of an advisory council ~~appointed~~  
32 ~~or formed in accordance with this chapter~~ shall not include  
33 more than one member of a participating school board.

34 6. The charter school, online learning program, or  
35 innovation zone school governance and bylaws.

1 7. The financial plan for the operation of the charter  
2 school, online learning program, or innovation zone school  
3 including, at a minimum, a listing of the support services  
4 the school district, online learning program, or innovation  
5 zone consortium will provide, and the charter school, online  
6 learning program, or innovation zone school's revenues,  
7 budgets, and expenditures.

8 10. The organization of the charter school, online learning  
9 program, or innovation zone school in terms of ages of students  
10 or grades to be taught along with an estimate of the total  
11 enrollment of the charter school, online learning program, or  
12 innovation zone school.

13 12. A statement indicating how the charter school, online  
14 learning program, or innovation zone school will meet the  
15 requirements of section 256F.1, as applicable; section 256F.4,  
16 subsection 2, paragraph "a"; and section 256F.4, subsection 3.

17 13. Assurance of the assumption of liability by the charter  
18 school, online learning program, or the innovation zone  
19 consortium for the innovation zone school.

20 14. The types and amounts of insurance coverage to be  
21 obtained by the charter school, online learning program, or  
22 innovation zone consortium for the innovation zone school.

23 15. A plan of operation to be implemented if the charter  
24 school, online learning program, or innovation zone consortium  
25 revokes or fails to renew its contract.

26 16. The means, costs, and plan for providing transportation  
27 for students enrolled in the charter school or innovation  
28 zone school. An online learning program is exempt from this  
29 subsection.

30 17. The specific statutes, administrative rules, and school  
31 board policies with which the charter school, online learning  
32 program, or innovation zone school does not intend to comply.

33 Sec. 17. Section 256F.6, Code 2014, is amended to read as  
34 follows:

35 **256F.6 Contract.**

1     1. ~~a. An approved charter school or innovation zone school~~  
2 ~~application shall constitute an agreement, the terms of which~~  
3 ~~shall, at a minimum, be the terms of a four-year enforceable,~~  
4 ~~renewable contract between a school board, or the boards~~  
5 ~~participating in an innovation zone consortium, and the state~~  
6 ~~board. The contract shall include an operating agreement for~~  
7 ~~the operation of the charter school or innovation zone school.~~  
8 ~~The terms of the contract may be revised at any time with~~  
9 ~~the approval of both the state board and the school board or~~  
10 ~~the boards participating in the innovation zone consortium,~~  
11 ~~whether or not the stated provisions of the contract are being~~  
12 ~~fulfilled~~ Once a charter school, online learning program, or  
13 innovation zone school application has been approved by the  
14 state board, the state board shall enter into a renewable  
15 performance-based contract with the charter school, online  
16 learning program, or innovation zone school. The term of  
17 the contract shall not exceed four years. The terms of the  
18 contract must address each component of the application, and  
19 for online learning programs must also include description and  
20 agreement regarding the methods by which the school will meet  
21 all of the following requirements:

22     (1) Monitor and verify full-time student enrollment,  
23 student participation in a full course load, credit accrual,  
24 and course completion.

25     (2) Monitor and verify student progress and performance  
26 in each course through regular proctored assessments and  
27 submissions of coursework.

28     (3) Conduct parent-teacher conferences.

29     (4) Administer state-required assessments to all students  
30 in a proctored setting or pursuant to state law.

31     ~~b. A contract may be renewed by agreement of the school~~  
32 ~~board or the boards participating in an innovation zone~~  
33 ~~consortium, as applicable, and the state board.~~

34     ~~c. The charter school, online learning program, or~~  
35 ~~innovation zone consortium shall provide parents and guardians~~

1 of students enrolled in the charter school, online learning  
2 program, or innovation zone school with a copy of the charter  
3 school, online learning program, or innovation zone school  
4 application approved pursuant to section 256F.5.

5 2. The contract shall ~~outline the reasons~~ clearly set forth  
6 causes for revocation or nonrenewal of the contract.

7 3. The contract shall include a closure protocol to ensure  
8 timely notification to parents, orderly transition of students  
9 and student records to new schools, and proper disposition of  
10 school funds, property, and assets in the event a contract  
11 is revoked or not renewed. The closure protocol shall  
12 specify tasks, timelines, and responsible parties, including  
13 delineating the respective duties of the responsible parties.

14 ~~3.~~ 4. The state board of education shall provide by rule  
15 for the ongoing review of each party's compliance with a  
16 contract entered into in accordance with this chapter.

17 Sec. 18. Section 256F.7, subsections 1 and 2, Code 2014, are  
18 amended to read as follows:

19 1. A charter school, online learning program, or the boards  
20 participating in an innovation zone consortium shall employ or  
21 contract with necessary teachers and administrators, as defined  
22 in section 272.1, who hold a valid license with an endorsement  
23 for the type of service for which the teacher or administrator  
24 is employed.

25 2. The school board, online learning program, or innovation  
26 zone consortium, as specified in the application, in  
27 consultation with the advisory council, shall decide matters  
28 related to the operation of the charter school, online learning  
29 program, or innovation zone school, including budgeting,  
30 curriculum, and operating procedures.

31 Sec. 19. Section 256F.8, subsection 1, unnumbered paragraph  
32 1, Code 2014, is amended to read as follows:

33 A contract for the establishment of a charter school, online  
34 learning program, or innovation zone school ~~may~~ shall be  
35 revoked by the state board, the school board that established

1 the charter school, online learning program operator, or the  
2 innovation zone consortium that established the innovation zone  
3 school if the appropriate board or consortium determines that  
4 one or more of the following occurred:

5 Sec. 20. Section 256F.8, subsection 1, paragraphs a, b, c,  
6 and e, Code 2014, are amended to read as follows:

7 a. Failure of the charter school, online learning program,  
8 or innovation zone school to abide by and meet the provisions  
9 set forth in the contract, including educational goals.

10 b. Failure of the charter school, online learning program,  
11 or innovation zone school to comply with all applicable law.

12 c. Failure of the charter school, online learning program,  
13 or innovation zone school to meet generally accepted public  
14 sector accounting principles.

15 e. Assessment of student progress, which is administered  
16 in accordance with state and locally determined indicators  
17 established pursuant to rules adopted by the state board,  
18 does not show improvement in student progress over that  
19 which existed in the same student population prior to the  
20 establishment of the charter school, online learning program,  
21 or the innovation zone school.

22 Sec. 21. Section 256F.8, subsections 3, 4, and 6, Code 2014,  
23 are amended to read as follows:

24 3. A The state board, a school board, or a board  
25 participating in an innovation zone consortium that is  
26 considering revocation or nonrenewal of a charter school,  
27 online learning program, or innovation zone school contract  
28 shall notify the advisory council, the parents or guardians of  
29 the students enrolled in the charter school, online learning  
30 program, or innovation zone school, and the teachers and  
31 administrators employed by the charter school, online learning  
32 program, or innovation zone school, sixty days prior to  
33 revoking or the date by which the contract must be renewed, but  
34 not later than the last day of classes in the school year.

35 4. If the state board determines that a charter school,

1 online learning program, or innovation zone school is in  
2 substantial violation of the terms of the contract or ranked  
3 in the bottom ten percent of all schools in the state for two  
4 consecutive years in terms of student achievement, the state  
5 board shall notify the school board, online learning program  
6 operator, or innovation zone consortium and the advisory  
7 council of its intention to revoke the contract at least sixty  
8 days prior to revoking a contract and the school board or the  
9 school boards participating in the innovation zone consortium  
10 shall assume oversight authority, operational authority,  
11 or both oversight and operational authority. In the event  
12 of revocation of an online learning program contract, the  
13 state board and the online learning program operator shall  
14 abide by the closure protocol specified in the contract. The  
15 notice shall state the grounds for the proposed action in  
16 writing and in reasonable detail. The school board, online  
17 learning program operator, or innovation zone consortium  
18 may request in writing an informal hearing before the state  
19 board within fourteen days of receiving notice of revocation  
20 of the contract. Upon receiving a timely written request  
21 for a hearing, the state board shall give reasonable notice  
22 to the school board, online learning program operator, or  
23 innovation zone consortium of the hearing date. The state  
24 board shall conduct an informal hearing before taking final  
25 action. Final action to revoke a contract shall be taken in  
26 a manner least disruptive to students enrolled in the charter  
27 school, online learning program operator, or innovation zone  
28 school. The state board shall take final action to revoke or  
29 approve continuation of a contract by the last day of classes  
30 in the school year. If the final action to revoke a contract  
31 under this section occurs prior to the last day of classes in  
32 the school year, a charter school, online learning program,  
33 or innovation zone school student may enroll in the resident  
34 district.

35 6. A The state board, a school board revoking a contract or

1 a school board, innovation zone consortium, or advisory council  
2 that fails to renew a contract under this chapter, is not  
3 liable for that action to the charter school, online learning  
4 program, or innovation zone school, a student enrolled in the  
5 charter school, online learning program, or innovation zone  
6 school or ~~the~~ to a student's parent or guardian, or any other  
7 person.

8 Sec. 22. Section 256F.9, Code 2014, is amended to read as  
9 follows:

10 **256F.9 Procedures after revocation — student enrollment.**

11 If a charter school, online learning program, or innovation  
12 zone school contract is revoked in accordance with this  
13 chapter, a nonresident student who attended the school or a  
14 student who attended the online learning program, and any  
15 siblings of the student, shall be determined to have shown  
16 "good cause" as provided in section 282.18, subsection 4,  
17 paragraph "b", and may submit an application to another school  
18 district according to section 282.18 at any time. Applications  
19 and notices required by section 282.18 shall be processed  
20 and provided in a prompt manner. The application and notice  
21 deadlines in section 282.18 do not apply to a ~~nonresident~~  
22 student application under these circumstances.

23 Sec. 23. Section 256F.10, Code 2014, is amended to read as  
24 follows:

25 **256F.10 Reports.**

26 1. A charter school, online learning program, or innovation  
27 zone school shall report at least annually to the school board  
28 or innovation zone consortium, advisory council, and the state  
29 board on progress made under the components contained in the  
30 performance-based contract entered into pursuant to section  
31 256F.6, as well as any information required by the school board  
32 or innovation zone consortium, advisory council, or the state  
33 board. The reports are public records subject to chapter 22.

34 2. A charter school, online learning program, or innovation  
35 zone school that enters into a performance-based contract

1 pursuant to section 256F.6 shall submit an annual report to the  
2 state board summarizing the following:

3 a. The strategic vision for opening the charter school or  
4 innovation zone school, or for establishing the online learning  
5 program, and the progress towards achieving that vision.

6 b. The academic and financial performance of the charter  
7 school, innovation zone school, or online learning program.

8 c. The status of the charter school, innovation zone school,  
9 or online learning program, including but not limited to  
10 whether that school or program is approved but not open, open  
11 and operating, or closed.

12 d. The functions provided by the school board, or the  
13 boards participating in an innovation zone consortium, advisory  
14 councils, and online learning program operator to the charter  
15 school, online learning program, or innovation zone school.

16 e. The charter school, online learning program, or  
17 innovation zone school operating costs and expenses related  
18 to administering the charter school, online learning program,  
19 or innovation zone school in the form of an annual audited  
20 financial statement that conforms to generally accepted  
21 accounting principles.

22 ~~2.~~ 3. Not later than December 1 annually, the state  
23 board shall submit a comprehensive report with findings  
24 and recommendations to the general assembly. The report  
25 shall evaluate the state's charter ~~school~~ schools, online  
26 learning programs, and innovation zone ~~school programs~~ schools  
27 generally, including but not limited to an evaluation of  
28 whether the charter schools, online learning programs, and  
29 innovation zone schools are fulfilling the purposes set  
30 forth in section 256F.4, subsection 2. The report also shall  
31 contain, for each charter school, online learning program,  
32 or innovation zone school, a copy of the charter school,  
33 online learning program, or innovation zone school's mission  
34 statement, attendance statistics and dropout rate, aggregate  
35 assessment test scores, projections of financial stability, the

1 number and qualifications of teachers and administrators, and  
2 number of and comments on supervisory visits by the department  
3 of education.

4 Sec. 24. Section 282.18, subsection 4, paragraph b, Code  
5 2014, is amended to read as follows:

6 *b.* For purposes of this section, "good cause" means a change  
7 in a child's residence due to a change in family residence, a  
8 change in the state in which the family residence is located,  
9 a change in a child's parents' marital status, a guardianship  
10 or custody proceeding, placement in foster care, adoption,  
11 participation in a foreign exchange program, or participation  
12 in a substance abuse or mental health treatment program, a  
13 change in the status of a child's resident district such as  
14 removal of accreditation by the state board, surrender of  
15 accreditation, or permanent closure of a nonpublic school,  
16 revocation of a ~~charter school~~ contract as provided in section  
17 256F.8, the failure of negotiations for a whole grade sharing,  
18 reorganization, dissolution agreement or the rejection of a  
19 current whole grade sharing agreement, or reorganization plan.  
20 If the good cause relates to a change in status of a child's  
21 school district of residence, however, action by a parent  
22 or guardian must be taken to file the notification within  
23 forty-five days of the last board action or within thirty days  
24 of the certification of the election, whichever is applicable  
25 to the circumstances.

26 Sec. 25. TRANSITION PROVISIONS. Any contract issued  
27 or entered into by a school district, charter school, or  
28 innovation zone consortium relative to the provisions of  
29 chapter 256F, Code 2014, in effect on the effective date of  
30 this Act shall continue in full force and effect until such  
31 contract is renewed or expires.

32 EXPLANATION

33 The inclusion of this explanation does not constitute agreement with  
34 the explanation's substance by the members of the general assembly.

35 This bill relates to online learning programs by directing

1 the state board of education, upon approving an application for  
2 an online learning program under Code chapter 256F, regulating  
3 charter and innovation zone schools, to adopt rules authorizing  
4 the open enrollment of students for purposes of receiving  
5 educational instruction and course content delivered primarily  
6 over the internet, and by amending Code chapter 256F to provide  
7 that an online learning program may be created as a new school  
8 within an existing public school, within a charter school  
9 or innovation zone school, or as an independently operating  
10 charter school.

11 Currently, the state board is directed to adopt rules  
12 prohibiting such open enrollment in general but to allow, until  
13 June 30, 2015, up to 1 percent of a school district's students  
14 to participate in open enrollment for such online instruction  
15 only in the CAM community school district or the Clayton Ridge  
16 community school district.

17 The bill defines "online learning program" to mean an  
18 independently operating program providing online instruction in  
19 accordance with the online learning program model established  
20 pursuant to Code section 256.43, and that receives approval  
21 from the state board to provide full-time online instruction.  
22 To receive approval to establish an online learning program,  
23 the proposed operator of the online learning program must  
24 submit an application to the state board.

25 An online learning program created as a new school within  
26 an existing public school, within a charter school, or within  
27 an innovation zone school shall be considered a charter school  
28 or an innovation zone school for purposes of the processes and  
29 requirements of the Code chapter. The bill makes corresponding  
30 changes throughout the Code chapter.

31 The bill strikes language that provides that the approved  
32 charter school or innovation school application constitutes  
33 an agreement, the terms of which shall, at a minimum, be the  
34 terms of a four-year enforceable, renewable contract between  
35 a school board, or the boards participating in an innovation

1 zone consortium, and the state board; the contract includes  
2 an operating agreement for the operation of the school; and  
3 the terms of the contract may be revised at any time with  
4 the approval of both the state board and the school board or  
5 the boards participating in the innovation zone consortium,  
6 whether or not the stated provisions of the contract are being  
7 fulfilled.

8       Instead, the bill provides that after an application is  
9 approved by the state board, the state board must enter into  
10 a renewable performance-based contract with the school. The  
11 term of the contract shall not exceed four years. The terms of  
12 the contract must address each component of the application,  
13 and for online learning programs must also include description  
14 and agreement regarding the methods by which the school will  
15 monitor and verify full-time student enrollment, student  
16 participation in a full course load, credit accrual, and course  
17 completion; monitor and verify student progress and performance  
18 in each course through regular proctored assessments and  
19 submissions of coursework; conduct parent-teacher conferences;  
20 and administer state-required assessments to all students in a  
21 proctored setting or pursuant to state law.

22       The contract must clearly set forth the causes for  
23 revocation or nonrenewal of the contract, and must include a  
24 closure protocol to ensure timely notification to parents,  
25 orderly transition of students and student records to new  
26 schools, and proper disposition of school funds, property,  
27 and assets in the event a contract is revoked or not renewed.  
28 The closure protocol shall specify tasks, timelines, and  
29 responsible parties, including delineating the respective  
30 duties of the responsible parties.

31       The notification requirements required when an entity is  
32 considering revocation or nonrenewal of a contract are modified  
33 to add the state board to the list of entities that are subject  
34 to the notification requirements.

35       Currently, if the state board determines that such a school

1 is in substantial violation of the terms of the contract the  
2 state board must notify specific entities of its intention to  
3 revoke the contract. The bill adds that the state board may  
4 also begin this process if the school is ranked in the bottom  
5 10 percent of all schools in the state for two consecutive  
6 years in terms of student achievement. The bill provides  
7 that in the event of revocation of an online learning program  
8 contract, the state board and the online learning program  
9 operator shall abide by the closure protocol specified in the  
10 contract.

11 Currently, a school board that revokes or fails to renew a  
12 contract is not liable for that action to the school, parents  
13 of students enrolled in the school, or other persons. To the  
14 list of those not liable for a revocation or nonrenewal of  
15 a charter school, innovation zone school, or online learning  
16 program contract, the bill adds the state board.

17 Currently, such schools must report at least annually to the  
18 school board or innovation zone consortium, advisory council,  
19 and the state board on information required by the school  
20 board or innovation zone consortium, advisory council, or  
21 the state board. The bill requires these reports to contain  
22 information on progress made under the components contained in  
23 the performance-based contract, and to summarize the strategic  
24 vision for opening the charter school or innovation zone  
25 school, or for establishing the online learning program, and  
26 the progress towards achieving that vision; the academic and  
27 financial performance of the school or program; the status of  
28 the school or program; the functions provided by the school  
29 board, or the boards participating in an innovation zone  
30 consortium, advisory councils, and online learning program  
31 operator to the school or program; and the school or program's  
32 operating costs and expenses related to administering the  
33 school or program in the form of an annual audited financial  
34 statement that conforms to generally accepted accounting  
35 principles.

1     The bill includes a transitional provision establishing  
2 that any contract issued or entered into by a school district,  
3 charter school, or innovation zone consortium relative to  
4 the provisions of chapter 256F, Code 2014, in effect on the  
5 effective date of the bill shall continue in full force and  
6 effect until such contract is renewed or expires.